in favour of BCCL. However, the owner of M/s. Shalimar Tar Products Ltd. has gone in appeal in the Court of the Distt. Judge of Dhanbad. The case is now pending in the Court of ADJ-IV, Dhanbad. Thus the matter is sub-judice.

Representation Against New India Assurance Company Ltd.

2672. SHRI SOUMYA RANJAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry has received representations from Employees Associations and Members of Parliament against victimisation of Trade Union functionaries by the management of New India Assurance Company Ltd. for their highlighting corruption and malpractices at various level; and

(b) if so, the action taken or proposed to be taken to prevent victimisation and to undo the injustice done to the trade union functionaries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) These complaints were looked into both from vigilance and audit angles and necessary investigation has been carried out. In the light of the outcome of the report, the management of the Company did not find any irregularity. The report is also under investigation by the General Insurance Corp. of India. A senior executive from Head Office had also discussed the matter with the Trade Union functionary as well as the Officer Incharge in Delhi Region and during discussions, he assured that there need not be any apprehension in their mind about harassment or victimsation.

Coal Mining Operation by Eastern Coalfields Ltd.

2673. PROF. JITENDRA NATH DAS: Will the Minister of COAL be pleased to state:

(a) whether Eastern Coalfields Ltd. has been carryings out coal mining operation outside the leasehold areas inspite of objections from the Government of West Bengal;

(b) if so, the details thereof; and

(c) the action taken by the ECL to regularise the same?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) The coal mining rights are acquired by the nationalised coal companies including Eastern Coalfields Limited (ECL) under the Coal Mines (Nationalisation) Act, 1973, the Mines and Minerals (Regulation and Development) Act, 1957 and the Coal Bearing Areas (Acquisition and Development) Act, 1957. The ECL have not been carrying out coal mining operations in any area within the State of West Bengal without the mining rights acquired under any of the above-cited acts.

[Translation]

Pension to LIC Employees

2674. SHRI RADHA MOHAN SINGH:

DR. RAMESH CHAND TOMAR:

SHRI DEVI BUX SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether Life Insurance Corporation of India does not provide pension to its employees under Pension Scheme;

(b) if so, the reasons therefor;

(c) whether the Government are considering to provide pension to the employees of Life Insurance Corporation of India; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) A Pension Scheme has already been introduced for the employees of LIC with effect from 1.11.1993. This scheme is applicable to those retired after 1.1.1986. The details are contained in the LIC (Employees) Pension Rules, 1995 which were laid on the Table of the House on 8.12.1995.

P.L.S. Finance of Delhi

2675. SHRI RATILAL KALIDAS VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government have been drawn towards the news-item captioned "P.L.S. Company ka mamla C.B.I. ko" appearing in the *Hindustan* (Hindi daily) dated June 21, 1997;

(b) if so, the details of the alleged fraud done by the company with the investors;

(c) whether the Prime Minister has handed over the investigation work to the Central Bureau of Investigation regarding large scale fraud with investors committed by the P.L.S. Finance of Delhi, a financial company; and

(d) if so, the time by which the action is likely to be taken by the Government against the company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) to (d) Reserve Bank of India have reported that PLS Technical Ltd. is a non-banking, non-financial company. The company is alleged to have accepted deposits from a number of depositors by offering high returns. It is further alleged that a number of cheques issued by the company to its depositors were returned unpaid. A representation has also been received by the Prime Minister in the matter. Investigations have been initiated by the local police in the

matter on the basis of complaint filed by some depositors. Central Bureau of Investigation have initiated necessary action to take over these investigations.

[English]

Multinational Companies

2676. SHRI SUSHIL CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the percentage of actual investment is not satisfactory as compared to the approval of investment granted by the Government;

(b) if so, the details thereof;

(c) whether the multinational companies have taken over the Indian companies by purchasing their shares;

(b) if so, the details thereof alongwith the number of such cases came to the notice; and

(e) the steps proposed to be taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) As against the FDI approvals amounting to Rs. 105957.00 crores (excluding Euro-Issue of Rs. 15832.00 crores) between 1991 to 1997 (upto May), the actual FDI inflow is Rs. 26619.00 crores (upto May 1997). This indicates an approval inflow ratio of roughly 4:1. However, gestation period of projects vary and mega-projects (Power, Refinery etc.) take much longer. Excluding mega-projects (which involve nearly 50% of FDI approved), the approval: inflow ratio is 2:1 which is reasonable. The inflow is showing an ever increasing trend i.e., from Rs. 351 crores (1991) to Rs. 675 crores (1992), Rs. 1787 crores (1993), Rs. 2982 crores (1994), Rs. 6370 crores (1995), Rs. 8441 crores (1996) and Rs. 6012.84 crores (upto May 1997). The inflow is Rs. 8441 crores during 1996, which is more than the total FDI inflows of the last 4 years. This trend indicates increasing rate of FDI inflows.

(c) to (e) Increase in foreign equity in the existing Indian Companies is allowed in cases where request is supported by Resolution of the Board of the existing company. During the post policy period i.e. from August 1991 to May 1997, total number of 494 cases for increase in equity involving Foreign Direct Investment of Rs. 8777.91 crores have been approved.

Isolation in Global Trade

2677. SHRI B. L. SHANKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware of the news item as appeared in Times of India dated the July 20, 1997 captioned "India risks isolation in global trade arena";

(b) if so, the details of the news item; and

(c) the steps taken by the Government to save the country from isolation in the global trade during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (c) Yes, Sir. The news item referred to in the question mainly deals with the consultations held in the Committee on Balance of Payments Restrictions of the World Trade Organisation (WTO) with India on the quantitative restrictions on imports maintained by India under the provisions of Article XVIII:B of the General Agreement of Tariffs and Trade (GATT) 1994. The news item mentions that India risked isolation in the global trade arena by refusing to notify an internationally acceptable time frame for eliminating barriers, and that the collapse of the talks has prompted global trade powers, including the EU, the US, Canada, Australia, New Zealand and Switzerland to initiate dispute settlement proceedings against India.

Government of India has presented to the WTO Committee on Balance of Payments Restrictions a plan for the elimination of residual quantitative restrictions on imports maintained under Article XVIII:B of the GATT. This plan was discussed at the meeting of the Committee held on 10-11 June, 1997 and at the resumed meeting held on 30 June-1 July, 1997, when due to divergence of opinion among Members of the Committee, with some Members stating that the overall time period over which restrictions would be eliminated was too long and some Members stating that the Indian plan was workable, the consultations concluded without consensus.Therefore, it may not be correct to state that India was isolated during the deliberations of this Committee.

Some of the Members that had expressed the view that the time period under India's plan was too long, namely, Australia, Canada, the European Communities, New Zealand, Switzerland and the United States of America, in separate requests, have sought formal consulations with India under Article XXII of GATT 1994 and the Understanding on Rules and Procedures Governing the Settlement of Dispute (DSU) alleging that continued maintenance of quantitative restrictions on imports for balance of payments purposes by India when there have been improvements in India's balance of payments is inconsistent with India's obligations under the WTO. India has accepted the requests for consultations. There are indications that the complainants would like to work towards a mutually acceptable solution. India's approach to these consultations would also be similar.

Compensation to fishermen by Insurance Companies

2678. SHRI K.P. NAIDU:

SHRI AJMEERA CHANDULAL:

Will the Minister of FINANCE be Pleased to state:

(a) whether any representations have been received by the Government regarding making inordinate delay in paying compensation to the fishermen by the insurance companies whose boats sank into the sea as a result of storm in Andhra Pradesh; and